

NEW MEXICO REQUIREMENT FOR LOAN-OUT COMPANIES

The State of New Mexico requires loan-out companies engaged to render services within its borders to register with the New Mexico Taxation & Revenue Department (NMTRD). All entities must register with The New Mexico Secretary of State's Corporation then update their registration with NMTRD no later than three (3) weeks from their initial engagement.

The Corporations bureau is statutorily mandated with the filing, maintenance and retention of corporate records for New Mexico and out of state corporations, limited liability companies, cooperative associations, foreign business trusts and other business entities. Domestic and foreign corporate entities and other business entities will be able to file their articles of incorporation, articles of organization, annual reports, dissolutions and other required filings as defined by statute with this bureau. Foreign entities will be able to obtain a certificate of authority to transact business in New Mexico. The website as follows: http://www.sos.state.nm.us/Business_Services/Corporations_Overview.aspx

Below is registration information, which is provided as a courtesy. The information does not constitute tax or legal advice, and your client's loan-out entity should see guidance from its own tax and legal advisors on New Mexico's requirements with respect to loan-outs companies.

Note: The following information with respect to the entity of the company, which may be required to supply in connection with your registration: New Mexico CRS and Federal ID number.

***** All loan-out companies must electronically register with NMTRD for CRS account for gross receipts tax (GRT), payroll withholding and for Workers' Comp account for workers' compensation fee. Please see the attached instructions entitled "Registering for CRS and Workers' Compensation Fee Tax Account" or visit NMTRD website at <http://www.tax.newmexico.gov/>.

Section 7-2F-1 NMSA 1978, Regulation 3.13.9.10 (A) (1) (2) states: "A payment to a personal service business for the services of a performing artist qualifies as a direct production expenditure if the personal services business:

- 1) pays gross receipts tax in New Mexico on the portion of those payments that are qualified expenditures for the film production tax credit; and
- 2) deducts and remits withheld income tax pursuant to Subsection I of Section 7-3A-3 NMSA 1978 or the film production company deducts and remits, or causes to be deducted and remitted, withheld income tax at the maximum rate in New Mexico on the portion of those payments qualifying for the film production tax credit...."

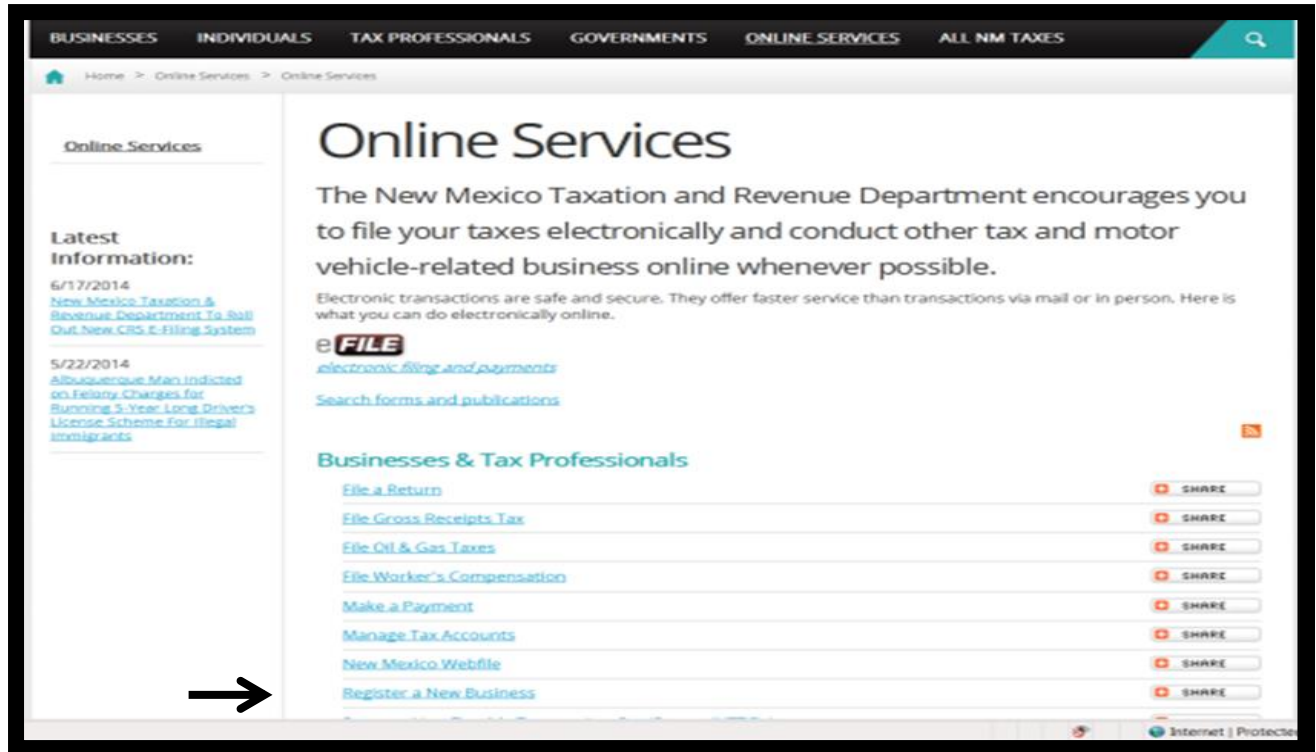
A loan out company must also electronically file CRS report to (include GRT and withholding) monthly on or before the 25th day of the following month for the previous month and Workers' Compensation Fee quarterly.

A loan-out company is required to file a New Mexico Income Tax return. If an artist is a full or partial owner of a loan out company, the artist is require to file a New Mexico Personal Income Tax PIT return in order to claim the withholding. See page 7.

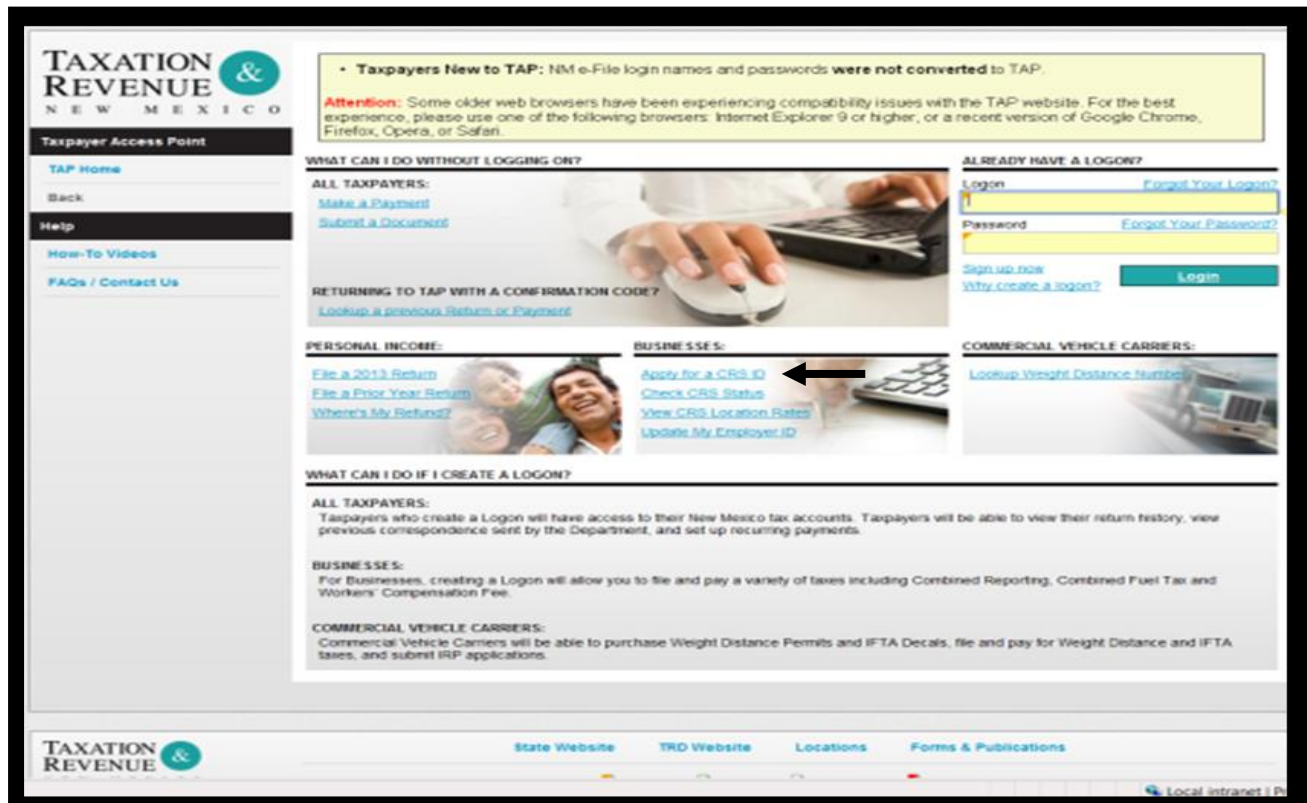
Registering for CRS and Workers' Comp Fee Tax Account

Steps:

1. Navigate to the New Mexico Online Services website: <http://www.tax.newmexico.gov/Onlineservices/default.aspx>
2. Under Business and Tax Professionals, click on Register a New Business.



3. Under "Businesses," click on Apply for CRS ID.



4. Getting started to register the business, click on “Start Page” > Next

TAXATION & REVENUE
NEW MEXICO

Taxpayer Access Point

[TAP Home](#)
[Back](#)
Help
[How-To Videos](#)
[FAQs / Contact Us](#)

PURPOSE
Welcome to New Mexico Taxpayer Access Point (TAP) CRS Business Registration. Persons engaging in business in New Mexico must register with the New Mexico Taxation and Revenue Department.

- Use this service to register your business and obtain a CRS Tax ID
- If you are registering your business for the first time, a TAP account will be created for you. After your TAP profile is created, you will receive an email or text message notification containing an authorization code which is required the first time you login to TAP.
- If you **do** have a TAP account, your new business will be added to your TAP account

ELIGIBILITY

- Any person engaging in business in New Mexico

INFORMATION NEEDED TO CONTINUE

- A valid email address. Each TAP login requires a unique email address.
- A valid federal ID number such as a Federal Employer Identification Number (FEIN), Social Security Number (SSN) or Individual Taxpayer Identification Number (ITIN)
- Business Owners/Partners/Shareholders information will be required
- Public Regulation Commission number is required for Corporations, S-Corporations and Limited Liability Corporations
- Liquor and Contractor License information may be required

[Start Page](#) [Next](#) [Cancel](#)

TAXATION & REVENUE
NEW MEXICO

[State Website](#) [TRD Website](#) [Locations](#) [Forms & Publications](#)

FORM FIELD COLOR GUIDE: REQUIRED OPTIONAL CALCULATED NEEDS CORRECTION FIELD HELP

Warning: As a security feature, this application will time out after 30 minutes of inactivity. Your information will NOT be saved after this time out.

Copyright © 2013 State of New Mexico - All rights reserved.

5. Click on drop down to select ID Type.

TAXATION & REVENUE
NEW MEXICO

Taxpayer Access Point

[TAP Home](#)
[Back](#)
Help
[How-To Videos](#)
[FAQs / Contact Us](#)

NEW CRS REGISTRATION

Enter Your ID Type
Enter Your ID Number

[Previous](#) [Step 1 of 6](#) [Next](#) [Cancel](#)

Federal Employer ID #
ITIN
Social Security #

6. Enter ID Number

TAXATION & REVENUE
NEW MEXICO

Taxpayer Access Point

[TAP Home](#)
[Back](#)
Help
[How-To Videos](#)
[FAQs / Contact Us](#)

NEW CRS REGISTRATION

Enter Your ID Type
Enter Your ID Number

[Previous](#) [Step 1 of 6](#) [Next](#) [Cancel](#)


7. Enter email information and password then click on Secret Question>Answer>next

TAXATION & REVENUE
NEW MEXICO

Taxpayer Access Point
[TAP Home](#)
[Back](#)
Help
[How-To Videos](#)
[FAQs / Contact Us](#)

Please enter your email address
Business Email Address: priscilla.castro@state.nm.us

LOGIN INFORMATION
Confirm Email: priscilla.castro@state.nm.us
Logon: priscilla.castro@state.nm.us ☒ Use Email [?](#)
Password: [?](#)
Confirm Password:

PASSWORD RECOVERY
Please take note of your question and answer below. These are needed to reset your password if you forget it after registration is complete.
Secret Question: Which city or town was your first job in? 
Answer:
[Previous](#) [Step 2 of 6](#) [Next](#) [Cancel](#)

8. Complete Taxpayer Information>Add Association

TAXATION & REVENUE
NEW MEXICO

Taxpayer Access Point
[TAP Home](#)
[Back](#)
Help
[How-To Videos](#)
[FAQs / Contact Us](#)

TAXPAYER INFORMATION
Type Of Ownership: Individual

NAMES
First Name: PRISCILLA
Middle Name:
Last Name: CASTRO
Doing Business As (DBA) Name: TRD NM FILM CREDIT UNIT

CONTACT INFORMATION
Business Phone Number: (505)827-0919 Type: Business Phone
Alternate Phone: Type:

LOCATION ADDRESS (CANNOT BE A PO BOX)
Location Address: USA
1200 S. ST. FRANCIS DR
Street
Required Street 2: SANTA FE Unit Type: NM Unit: 87504

MAILING ADDRESS
Same as Location Address? Yes

ASSOCIATIONS (OWNERS/PARTNERS/SHAREHOLDERS/ETC)
To add an association: Click on the 'Add Association' link.
To change an entry: Click on the SSN/FEIN within the row.
To delete an entry: Click on red x next to the SSN/FEIN.

SSN/FEIN	Title	Name	Middle	Last Name	Home Address	Phone	Email
Add Association							

You must add at least one association

[Previous](#) [Step 3 of 6](#) [Next](#) [Cancel](#)

9. Enter information of Associates then click on Add.

TAXATION & REVENUE
NEW MEXICO

TAXPAYER INFORMATION

Type Of Ownership: Individual

NAMES

First Name: PRISCILLA
Middle Name:
Last Name: CASTRO
Doing Business As (DBA) Name: TRD NM FILM CREDIT UNIT

CONTACT INFORMATION

Business Phone Number: (505)827-0919 Type: Business Phone
Alternate Phone: Type:

Association Grid

Title: Member
SSN/FEIN:
First Name:
Middle Name:
Last Name:
Home Address:
Phone:
Email:

Add **Cancel**

Add Association

You must add at least one association

Previous **Step 3 of 6** **Next** **Cancel**

10. Continue entering information and click on Filing Status > Next

TAXATION & REVENUE
NEW MEXICO

Taxpayer Access Point

TAP Home

Back

Help

How-To Videos

FAQs / Contact Us

FILING FREQUENCY INFORMATION

Date business activity started or is anticipated to start in NM:
Will business pay wages to employees in New Mexico?: No
Does This Business Have Former Owners?: No
Are You Operating Any Other Businesses in New Mexico?: No

LICENSE INFORMATION

Do You Have a Liquor License?: No
Do You Have a Contractor License?: No
Accounting Method: Cash
Public Regulation Commission or Secretary of State ID:

FILING FREQUENCY INFORMATION

Filing Status:
Click on monthly

INDICATE THE MONTH(S) IN WHICH YOU WILL FILE:

☐ January ☐ May ☐ September
☐ February ☐ June ☐ October
☐ March ☐ July ☐ November
☐ April ☐ August ☐ December

Previous **Step 4 of 6** **Next** **Cancel**

11. Continue answer question and click on Type of Business Activity (NAICS Code) and select what best fits the business.

TAXATION & REVENUE
NEW MEXICO

Taxpayer Access Point

[TAP Home](#)

[Back](#)

Help

[How-To Videos](#)

[FAQs / Contact Us](#)

SPECIAL TAX REGISTRATION

Will Business Sell Gasoline? No

Will Business Sell Liquor/Alcohol? No

Will Business Be Engaged in Severing Natural Resources? No

Will Business Sell Cigarettes? No

Will Business Sell Tobacco Products? No

Will Business Sell Special Fuels? No

Will Business Be Involved in Gaming Activities? No

Will Business Be Engaged in Processing Natural Resources? No

Will Business Be a Water Producer? No

NAICS CODES

To Filter the NAICS Code List, Enter the Numeric NAICS Code or Keyword Description of the Business Activity Within the Box Below. Thank You!

Primary Type of Business Activity (NAICS Codes) **Required**

If More Than One Type of Business, Secondary Type of Business

[Previous](#) [Step 5 of 6](#) [Next](#) [Cancel](#)

12. Complete information and click on Submit.

TAXATION & REVENUE
NEW MEXICO

Taxpayer Access Point

[TAP Home](#)

[Back](#)

Help

[How-To Videos](#)

[FAQs / Contact Us](#)

NEW CRS REGISTRATION

Almost Done!
Please review your entries for accuracy. Use the PREVIOUS and NEXT buttons at the bottom for navigation if you need to make changes.

When finished, press SUBMIT to continue.
Please note your confirmation number in case you need to contact us.

Doing Business As (DBA) Name: TRD NM FILM CREDIT UNIT

Location Address: 1200 S ST. FRANCIS DR
SANTA FE NM 87504
USA

Business Email Address: priscilla.castro@state.nm.us

Business Phone Number: (505)827-0919 Type Business Phone

Logon: priscilla.castro@state.nm.us

Secret Question: Which city or town was your first job in?

What's Next?
After we create your profile on TAP, you will receive a notification confirming that your account has been created. The notification will contain an authorization code which must be used the first time you log in.

CHOOSE NOTIFICATION OPTION

How would you like to receive notifications for this request?

☒ Email ☐ Text Message

Email: priscilla.castro@state.nm.us

By entering my name and title below, I declare that the information submitted on this application is true and correct.

Name: **Required**

Title:

Date: 06/20/2014

[Previous](#) [Step 6 of 6](#) [Submit](#) [Cancel](#)

13. After profile is created on TAP, you will receive a notification confirming that your account has been created. The notification will contain an authorization code which must be used the first time you log on to TAP.
14. Once a CRS number is received, a Worker's Compensation Fee account can be added.

Claiming the Film Tax Production Credit

- In order to claim an approved film production tax credit, a film production company must complete a timely filed tax return after the close of its tax year as pursuant to Section 7-2F-1 NMSA 1978, Regulation 3.13.9.8 (A) NMAC.
- When determining how an approved film production tax credit will be paid out pursuant to Subsection E, 7-2F-1 NMSA 1978, each tax return is equivalent to a single credit claim as pursuant Section 7-2F-1 NMSA 1978, Regulation 3.13.9.8 (B) NMAC.
- The Income Tax Return is to be sent to Jerry Montoya at jerry.montoya@state.nm.us or NM Taxation & Revenue Dept., Attn: Jerry Montoya, PO Box 630, Santa Fe, NM 87504-630

New Mexico Loan Out Withholding Reporting & Filing

Loan Out Company

- Each loan out company must file a Form RPD-41367 — Annual Withholding of Net Income From a Pass-Through Entity Detail Report (Form 41367) with the NM Taxation & Revenue Department. Website: Web site: <http://www.tax.newmexico.gov/forms-publications.aspx> under Income Taxes>Corporate Income Tax Return Forms #8.
- Form 41367 (Exhibit C or D depending on whether the loan out is a C corp. or pass through entity) is used by the loan out company to list each individual and the amount of New Mexico income tax withholding allocated to them.
- Column 1 reflects the loaned out individual's name and address.
- Column 2 has the SSN box checked and includes the individual's SSN.
- Column 3 reflects the amount of the payment made to the individual by the loan out company. This amount may differ from the amount listed on the payroll company's Form 41367 due to expenses incurred by the loan out company.
- Column 4 reflects the amount of New Mexico income tax withholding being passed on to the individual. This amount should be the same amount reflected on the 1099 received from the payroll company.
- On Line 4 the loan out company will list the amount of New Mexico income tax withholding being passed on to the individual(s). This will generally result in the loan out company having a zero withholding tax liability on Form 41367.
- The loan out company must attach the 1099 (Exhibit B) issued by the payroll company to its Form 41367.
- The loan out company must issue the individual(s) a W-2/1099 (Exhibit E). The sum of the New Mexico income tax withholding on the W-2/1099s must be equal to the amount shown on Line 4 of the Form 41367.
- The loan out company must file a New Mexico income tax return. It is recommended that the loan out company attached the 1099 issued by the payroll company to their tax return.
 - If the loan out company is a pass-through entity (partnership, LLC doing business as a partnership or S Corp) it will file a PTE New Mexico Information Return for Pass-Through Entities (Exhibit F). Section 1, Line 2 should reflect the withholding amount listed on the 1099 issued by the payroll company. Section 2, Line 4 should reflect the withholding amount passed on to the individual on Form RPD-41367.
 - If the loan out company is a corporation, it will file NM CIT-1 Corporate Income and Franchise Tax Return. The corporate tax return does not reflect the New Mexico income tax withholding.

Individual

- The loaned out individual must file a New Mexico Nonresident Personal Income Tax Return, PIT-1 (Exhibit G1, G2).
- The withholding must be claimed on line 38 of the New Mexico Personal Income Tax Return.
- The loaned out individual must attach the W-2/1099 (Exhibit E) issued by the loan out company.
- Any excess income tax withheld will be refunded to the individual.